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A GUIDE TO
MONTANA'S ECONOMIC DEVELOPMENT
AND BUSINESS ASSISTANCE
PROGRAMS

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A GUIDE TO
MONTANA'S ECONOMIC DEVELOPMENT
AND BUSINESS ASSISTANCE
PROGRAMS

The following is a compendium of economic development programs sponsored by various agencies within Montana's state government. General information on any or all of these programs may be obtained by contacting:

John Maloney
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

More specific information is available from the contact person noted with each program.

MONTANA'S ECONOMIC DEVELOPMENT
AND BUSINESS ASSISTANCE PROGRAMS

DEPARTMENT OF COMMERCE

I. DIRECTOR'S OFFICE

The Director of the Department of Commerce is responsible for the overall management of the Department, which includes the Divisions of:

- Aeronautics
- Business and Professional Licensing
- Financial Institutions
- Local Government Services
- Business Assistance
- Montana Promotion
- Community Development
- Transportation
- Housing

The Centralized Services Division and the Legal and Consumer Affairs Unit are also attached to the Director's Office. In addition, the Director chairs the State Banking Board in accordance with statutory requirements.

Contact: Gary Buchanan, Director
Department of Commerce
Capitol Station
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3494

II. ECONOMIC POLICY, PLANNING, AND RESEARCH UNIT

Governor's Council on Economic Development

This is a new program funded by the Legislature. The council will be appointed by the Governor and includes 20 members representing the following sectors of the economy: natural resources extraction and processing industries, small business, tourism, agriculture, education, conservation, public interest, financial, professional, economic development, and organized labor. At least four will represent small business. The council will sponsor, review and evaluate state economic development problems and programs, develop a biennial economic conditions report and sponsor appropriate research and action on economic development issues.

Contact: Dale A. Harris
Assistant to the Director
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3495

Council on Science and Technology

This is a new program funded by the Legislature. The council will be appointed by the Governor and includes nine members all with scientific and business backgrounds. The council will have the following responsibilities: (1) develop a short-term (1-5 year) and a long-term (5-20 year) list of research priorities related to economic development; (2) identify current scientific work related to economic development; (3) evaluate the need for new industrial-research facilities. Special emphasis will be placed on commercializing existing research and on the processing of agricultural products.

Contact: Dale A. Harris
Assistant to the Director
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3495

Census and Economic Information Center

The Census and Information Center (CEIC) of the Department of Commerce is the lead agency of the Montana State Data Center, which is a federal-state cooperative program with the U.S. Bureau of the Census. The CEIC serves as a central location for businesses, government agencies, and the general public to obtain population and economic information for research, planning, and decision-making purposes. The data dissemination, research, and analysis activities of the CEIC are based on information from a variety of state and federal agencies, with the principal sources being the U.S. Bureau of the Census, the U.S. Bureau of Economic Analysis, and the Montana Department of Labor and Industry.

Contact: Patricia Roberts, Program Manager
Census and Economic Information Center
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-2896

Montana Economic Reporting and Forecasting System

This is a new program to complement the existing economic research programs of the Bureau of Business and Economic Research (BBER). A committee of university economists, representing all the major units will be created to supervise the development and implementation of a new economic reporting and forecasting model that will provide the small business community more timely, accurate, and comprehensive information than is currently available.

Contact: Maxine C. Johnson, Director
Bureau of Business and Economic Research
University of Montana
Missoula, Montana 59812
(406) 243-5113

III. DEVELOPMENT FINANCE PROGRAMS

The 1983 Legislature approved a series of development finance programs to be administered by the seven member Montana Economic Development Board.

- HB 100 - In-state investment of the coal tax trust fund.... This act implements Section 3 of Initiative 95 (adopted by the voters in November, 1982), which calls for the creation of an in-state investment fund to be administered by the Montana Economic Development Board. Specifically, I-95 requires 25% of all coal tax revenue generated after June 30, 1983, to be invested in-state. Loans will be made through financial institutions rather than directly to Montana businesses. The State will finance up to 80% of a loan, while the financial institution will carry the remaining portion.
- HB 700 - Umbrella industrial revenue bonds for small business.... This act authorizes the issuance of pooled industrial revenue tax exempt or taxable bonds, with individual loans limited to \$800,000 and all bonds limited to a total of \$25 million. The program will be administered by the Montana Economic Development Board and will include an insurance program for the loans, but not the bonds. All loans must be originated by a bank or other financial institution, which will subsequently retain 10% of the project's financing.
- HB 871 - Large project industrial revenue bonds.... This act is virtually the same as HB 700, with three major exceptions: (1) the limit on project is raised to \$10 million; (2) the bonding limit is raised to \$50 million; and (3) financial institution participation is optional for projects over \$1 million.
- HB 733 - Pooling of municipal bonds.... This act authorizes the Montana Economic Development Board to pool debt of local governments and raise funds for purchase of local debt by issuing bonds and notes payable out of loan repayments. Single loans may not exceed \$500,000.00. Loan payments may be backed by a State insurance program.
- HB 685 - Certification of Montana Capital Companies.... This act promotes the availability and investment of development capital through the creation of Montana Capital Companies, which will, in turn, make equity investments in small Montana businesses. The bill will also provide tax credits for investments in these Capital Companies. Individual investors may receive

a 25% credit (up to \$25,000) for their investment.
The maximum tax credits for all companies may not exceed \$1 million for each of the next two biennia.

Three other related development finance bills were also approved. They will be coordinated with the programs of the Montana Economic Development Board but administered by separate boards. They are:

HB 721 - A new health facility authority board is authorized to issue revenue bonds to finance the construction or renovation of hospitals and other health facilities. The board may not borrow or issue bonds exceeding \$50 million for any two year period.

HB 316 - A Montana Agricultural Loan Authority Board is created to sell tax exempt bonds to finance loans to farmers and ranchers through financial institutions. The program is based on the Iowa Loan Authority.

HB 371 - The Legislature also gave the existing Board of Investments the authority to authorize investments in Montana businesses that do not clearly meet existing statutory requirements. Such investments are not to exceed 10% of any fund from which the investments are made. This act is permissive and could be applied to 10% of approximately \$1 billion of state trust funds.

Contact: Dale A. Harris
Assistant to the Director
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3495

IV. BUSINESS ASSISTANCE DIVISION

The Business Assistance Division of the Department of Commerce has specific responsibility for assisting new and existing small businesses. Funding for the Division by the 1983 Legislature substantially increased the variety of services: technical assistance, marketing, international trade, financial, procurement, etc. The Division also functions as an advocate for small business in the deliberations of the Governor's Sub-cabinet on Economic Development.

Contact: Byron Roberts, Administrator
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

Small Business Ombudsman and Business Licensing

The 1983 Legislature created a Business Licensing Center to distribute information concerning the state licensing requirements for starting and operating a business and to provide assistance to the businessman in applying for a license. The licensing center has been given the responsibility to serve as Ombudsman for small businesses. A toll free number is available for their use.

Contact: John J. Maloney
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

Business Location Program

The Business Location Program publicizes and advertises Montana to firms seeking locations. The program initiates and develops relations with business sectors and individual firms, and prepares and presents location data in response to inquiries received by the Department. The program also works closely with local development organizations in their efforts to locate new firms in their communities.

Contact: Wallace Olson
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

The Ambassador Program

In response to a recent study, the State will soon implement an "ambassador" program as one method of attracting out-of-state business and hosting visiting business executives. The program, administered in conjunction with Business Location Promotion, will involve participants from Montana's business, labor, government, and university communities. Funding for the program will come primarily from private, rather than public sources.

Contact: Byron Roberts, Administrator
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

Business Development Assistance Program

This program, greatly expanded by the 1983 Legislature, will increase the State's capacity to provide technical assistance and

information to small businesses, particularly small manufacturers. Such information might involve training opportunities, federal contract leads, and sources of loan and grant funds. Technical assistance would be provided by contracting with private sector consultants. This assistance could cover such subjects as financial packaging, marketing, product testing and development, and quality control. The program will also prepare and publish a new Directory of Montana Manufacturers and provide training in loan packaging in cooperation with President Reagan's Small Business Economic Revitalization Program.

Contact: Gary Faulkner
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

Assistance to Local Development Organizations

This program will expand the capacity of the Department of Commerce to deliver technical assistance training and grants to communities in their efforts to work with small businesses at the local level. Training would be directed toward two different groups: (a) local leaders responsible for organizing and maintaining local development efforts and (b) professional staff of local organizations who must provide technical skills to local development efforts. Special emphasis will be placed on assisting the existing small business community rather than focusing on recruitment. Further technical assistance would include assistance from state staff in assembling the basic "tools" necessary in the community and cost-sharing grants for specialized expertise necessary to carry out a specific local development project.

Contact: Larry T. Douglas
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

University Business Management Development Program

This program, approved by the Board of Regents and funded by the Legislature, will establish a university coordinator for business training, research, and technical assistance to small businesses. The program will work with resources of all six units of the University system in delivering business skill training to small business and agri-business firms as well as coordinating internships and technical assistance.

Contact: Neal "Nick" Nixon, Interim Director
University Center for Business and Management
Development
445 Reid Hall
Montana State University
Bozeman, Montana 59715
(406) 994-6191

International Export Assistance

This program is designed to enhance the marketability of the manufactured and agricultural products of Montana's small businesses. International export assistance offers direct, one-stop technical assistance to those small businesses wishing to enter foreign markets. The department also cooperates with the Montana International Trade Commission in sponsoring international trade projects.

Contact: Jerry Tavegia
International Trade Officer
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

The 49th Parallel Institute

Established by the Montana State University and housed in the Department of Commerce, the Institute's office provides a liaison between the Governor's ad hoc committee on Canadian relations and offices of Canadian federal and provincial governments. The general purpose of the Institute is to improve U.S.-Canadian relations. Specifically, the Institute is engaged in projects aimed at strengthening cooperative mechanisms in the areas of trade, tourism, trans-boundary pollution, and education. The Department of Commerce has contracted with the Institute to study the impacts of Canadian export assistance programs, technology centers, the timber industry, and financial incentives for regional economic development in western Canada. The Institute will also assist the department's International Trade Officer in identifying market opportunities in Canada and the Pacific Rim countries for Montana exports and in identifying foreign sources of investment capital.

Contact: Stephen Maly
Research Associate
49th Parallel Institute
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

OR

Dr. Lauren McKinsey
Department of Political Science
Montana State University
Bozeman, Montana 59717
(406) 994-4141

U.S. Government Procurement Assistance

As part of the Business Assistance program, the Department of Commerce disseminates current government procurement literature to local development efforts. The Department also provides technical assistance on a one-to-one basis to those small businesses having problems in expanding, contracting with the private sector, and other areas.

Contact: Gary Faulkner
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

State Small Business Conference

The Statewide Conference on Small Business was held at the Sheraton Hotel in Great Falls, Montana, on September 27th and 28th, 1982. Preceding the September event, six local conferences were held across the state and served as "feeder forums" for issues and delegates. In addition, each legislator was encouraged by the Governor to appoint a delegate to the statewide conference, thus providing a minimum attendance of 150. Provisions were also made for interested observers to participate.

A special feature of the statewide conference was a live satellite video hookup with Washington, D.C. The hour long program was moderated by S.B.A. Chief Advocate Frank Swain and featured Senator Max Baucus (D-Montana) and Representative Andy Ireland (D-Florida), representing the House and Senate's respective small business sub-committees. Broadcast arrangements were made through the U.S. Chamber of Commerce's Biz Net studios.

The conference delegates produced 48 recommendations in six categories dealing with legislative, policy, and rule-making issues of concern to Montana small businesses.

A second small business conference is planned for the fall of 1984 and will be sponsored by the recently appointed Governor's Council on Economic Development.

Contact: Larry T. Douglas
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

Mansfield Foundation

The Maureen and Mike Mansfield Foundation was established to formally link the Maureen and Mike Mansfield Center at the University of Montana and the Mansfield Center for Pacific Affairs -- two institutions initiated to commemorate Mike Mansfield, Montana's long-time senator and current U.S. Ambassador to Japan. The Foundation will serve not only as the major fund raising and disbursing agent of the two Mansfield Centers, but also as a single focal point for organizing co-operative research projects and other related efforts. Initial fund raising will be directed toward two goals -- construction of the new Mansfield Center for Pacific Affairs facility and establishment of endowments to support each Center's programs, which are briefly described below:

- Maureen and Mike Mansfield Center at the University of Montana.... Built on a solid foundation of existing programs and courses, the Center will offer instruction and research opportunities in two major areas -- Asian studies, and ethics in public affairs. Highlights of the former include a student exchange program with Japanese universities and a significant expansion of Asian-related library holdings. The latter will emphasize the study of values and their relationship to public institutions and policies.
- Mansfield Center for Pacific Affairs.... From its headquarters on Flathead Lake, the Center's activities will focus on developing a better understanding of the strategic and economic importance of the Pacific Basin nations to one another. In addition, the Center will collaborate with the Mansfield Center at the University of Montana and other universities, museums, and institutions to develop and co-sponsor programs of mutual interest and benefit in the United States and other Pacific nations.

Contact: Dan Smith
Maureen and Mike Mansfield Center
Office of the President
University of Montana
Missoula, Montana 59812
(406) 243-2311

V. MONTANA PROMOTION DIVISION

The Promotion Division is responsible for promoting the State of Montana as a travel destination for both summer and winter vacationers. Utilizing the State's "Master Marketing Plan", the Division strives to increase the frequency of visitations by nonresident tourists and travelers. The Division works closely with the private sector (e.g., travel trade, ski areas) to increase the dimensions of its tourism-related efforts. In addition, the Division helps promote Montana-made products, and markets Montana as a location site for new businesses and for the film and television industries.

Contact: John Wilson, Administrator
Montana Promotion Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-2654

Consumer Travel Promotion

This section of the Montana Promotion Division is responsible for the promotion of the state to individual consumers. Consumer Travel Promotion includes four different but related functions--publications, advertising, exhibiting and publicity. Each year, ten pamphlets and brochures explaining the Montana vacation product are published by Consumer Travel personnel. In addition, personnel create, design and oversee production of all paid advertising and advertising campaigns. Consumer Travel is also responsible for creating publicity about the state which will attract consumers, and for exhibiting at consumer trade shows.

Contact: John Wilson, Administrator
Montana Promotion Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-2654

Group Travel Promotion

Group Travel is responsible for initiating and maintaining productive contact with the travel trade industry. Personnel advertise in specific and various ways to attract national and international tour groups to Montana. A "Group Tour Planning Guide" is published yearly and sent to group tour operators. Staff members attend travel trade shows and conduct familiarization tours for tour brokers, tour wholesalers and travel agents. Group Travel targets its market to include Canada and western and midwestern states for winter and summer group tours.

Contact: Linda Howard
Montana Promotion Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-2654

Motion Picture and Television Promotion

Staff involved in film and TV promotion act as contacts for studios and production companies interested in filming motion pictures and commercials in Montana. In addition to negotiating permits, personnel go on location with film crews to serve as consultants, and to provide technical expertise and other location-related assistance. Staff also publish a "Motion Picture and Television Location Manual" which is sent out yearly to interested parties, including location scouts, producers and directors.

Contact: Garry Wunderwald
Montana Promotion Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-2654

Product Promotion ("Buy Montana")

The Product Promotion section of the Division is responsible for promoting Montana-made or value-added products inside the state. A promotion strategy has been designed to elevate the status of Montana-made products in the marketplace with the goal of creating increased demand for Montana products and thereby generate increased sales. The promotion includes a public service campaign and the creation and use of a logo/sticker for products to signify that they are "Made in Montana". In addition, in cooperation with the private sector, a catalog of products will be published for distribution in state. Product Promotion staff also act as a resource and liaison for manufacturers interested in receiving government procurement contracts.

Contact: John Wilson, Administrator
Montana Promotion Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-2654

VI. TRANSPORTATION DIVISION

The Transportation Division is responsible for providing litigation and analytical assistance to transportation users and developing cost models to assess changes in transportation rates and systems. The division also provides technical, planning, and financial assistance to local governments, transportation providers, and users.

Contact: William Fogarty, Administrator
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

Litigation and Analysis Bureau

The Litigation and Analysis Bureau is responsible for transportation rate analysis and litigation and for providing technical expertise and assistance to shippers. Bureau personnel compile and file evidence as well as testify on said evidence before the courts and the Interstate Commerce Commission. The Bureau performs analytical work such as developing cost formulas and models to analyze transportation cost components.

Contact: David Rouleau
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

Local Rail Service Assistance Program

Federal and State legislation authorize and direct the State to prepare a State Rail Plan. In this planning document, state rail policy is identified; each segment of rail system within the state is evaluated, and Federal-State assistance projects are identified. Assistance for eligible projects include limited grants and low interest loans to rail or rail-related industry for track plant rehabilitation, acquisition or new construction.

Contact: John Craig
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

House Bill 815

House Bill 815 directs the Department to identify and research the feasibility, desirability, and the estimated cost of acquisition by the state of those railroad rights-of-way that are or may be abandoned. The Department is required by HB 815 to submit a plan, to be considered by the Legislature, for the acquisition of rail properties. The Department of Commerce is also directed to join and assist local groups in evaluating financial feasibility, seeking funding, and establishing a feeder line program for communities interested in preserving branchline rail service.

Contact: John Craig
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

Subterminal Development Monitoring Program

Since the introduction of unit train grain rates in 1980, the Transportation Division has monitored changes in the state grain marketing industry. Information on grain subterminal development rate structures and branchline abandonments are available from the Division.

Contact: John Craig
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

Passenger Transportation Bureau

This bureau administers state and federal programs that provide financial and technical assistance to intercity passenger carriers, urban public transportation and other transportation providers and users including the elderly and handicapped. This bureau is also responsible for developing and implementing programs to improve passenger transportation in Montana.

Contact: Patricia Saindon
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

Policy and Research Section

The Policy and Research Section of the Transportation Division conducts research and prepares special studies pertaining to transportation issues. Study subjects include grain movement, rail abandonment impacts, truck impacts, maritime transportation, rail passenger transportation and other related areas. An additional responsibility of the Policy and Research Section is to track transportation related legislation.

Contact: Richard Howell
Transportation Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3423

VII. AERONAUTICS DIVISION

The Aeronautics Division will continue administering its airport improvement assistance program. This program, long supported by Montana's Legislature,

makes funds available to Montana's tax-levying bodies -- cities, counties, airport authorities, etc. -- for a wide variety of airport improvement projects.

Contact: David C. Kneedler, Bureau Chief
Aeronautics Division
Department of Commerce
2630 Airport Road
Helena, Montana 59620
(406) 449-2506

VIII. COMMUNITY DEVELOPMENT DIVISION

This Division administers community development programs that provide technical and financial assistance to Montana communities. The primary clientele for divisional services include communities which are experiencing negative impacts due to population growth or decline and local governments with needs in the areas of economic development, housing, public facilities, and community planning.

Contact: Nancy Leifer, Administrator
Community Development Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

Community Infrastructure Research

The Community Assistance Program staff are currently studying local infrastructure needs in conjunction with local, state, and federal agencies. A survey mechanism is being developed for the periodic review of capital facilities issues, including the overall effect on the public and private sectors. The focus of this effort is to identify alternative financing methods to meet local community infrastructure needs.

Contact: Jack Vaughn
Community Program Coordinator
Community Assistance Program
Community Development Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

Community Inquiry and Information Service

The Community Assistance Program staff provide answers to questions from local government officials primarily in the areas of project financing (grants/loans), land use planning, and legal matters. The staff follow-up on requests for information via networking other local government organizations and by doing special research. Resources include a library, computer searches, and Planners Advisory Service.

Contact: Robb McCracken
Community Development Planner
Community Assistance Program
Community Assistance Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

Community Workshops and Publications

The Community Assistance Program staff produce workshops, publications, and audio visual materials on community development and local government topics. Topics are identified through conversations with state and local officials and with representatives of the local government professional organizations. A list of current and future workshops, publications, and audio visual is available upon request.

Contact: Jack Vaughn
Community Program Coordinator
Community Assistance Program
Community Development Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

Community Development Block Grant (CDBG) Program

The Montana CDBG Program is a competitive grant program designed to help cities, towns, and counties, of less than 50,000 population with their greatest community development needs, with particular emphasis on assisting persons of low and moderate income. The "Small Cities" CDBG Program was administered in Montana for seven years, through 1981, by the U.S. Department of Housing and Urban Development. In 1981, Federal legislation authorized state administration. The 1981 special Legislative Assembly designated the Montana Department of Commerce as the administering agency. The program awards over \$6 million annually in grants to local governments for a variety of economic development, housing and public facility projects.

Contact: David Cole
Program Administrator
Community Development Block Grant Program
Community Development Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

Montana Coal Board

Section 90-6-201, MCA authorizes the Coal Board to assist, through grants and loans, units of local government which have been required to expand their provision of public services as a consequence of large scale development of coal mines and coal utilizing facilities. The role of the Coal Board is not to replace local effort, but rather to assist local efforts to plan for and help meet the escalating needs for public services, such as schools, water and sewer projects, health care, and community services.

Contact: Murdo Campbell, Administrative Officer
Montana Coal Board
Community Development Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

Montana Hard Rock Board

The Hard Rock Mining Impact Act of 1981 requires the developer of a proposed large-scale metalliferous mine to prepare an impact plan which identifies the project's anticipated impacts on local government services, facilities, revenues and expenditures. The impact plan is to include a schedule specifying when and how the developer will meet any net increase in local government costs that are expected as a result of the mineral development. The Hard Rock Mining Impact Board is to facilitate the overall implementation of the Act and is to resolve, through a formal hearings process, any differences between the developer and the affected local governments concerning the impact plan. The Board is also authorized to administer two separate grant programs, one of which has not been funded; the other deals with the local government and economic impacts of future mine of smelter closures but does not take effect until July 1, 1985.

Contact: Carol Ferguson, Administrative Officer
Hard Rock Mining Impact Board
Community Development Division
Department of Commerce
1400 Broadway, Room C-211
Helena, Montana 59620
(406) 449-3757

MONTANA'S ECONOMIC DEVELOPMENT
AND BUSINESS ASSISTANCE PROGRAMS

OTHER STATE AGENCIES

I. A STUDY OF THE FUTURE OF AGRICULTURE IN THE WEST

Sponsored by the Western Governor's Conference, this study is being conducted by the Governor's Office in Montana. The purpose of the study is to identify the most crucial agricultural issues facing the West and develop alternative strategies in which western states can play a larger role in shaping the future of American agricultural policies. The initial focus of the project is to identify and assess the major trends and conditions of western agriculture in such areas as land utilization, foreign and domestic markets, federal-state interaction, and transportation. At the completion of this initial phase, the Governors will assign priorities to the issues and problem to be resolved and determine a strategy for addressing each one.

Contact: Nancy Matheson
Governor's Office
Capitol Building
Helena, Montana 59620
(406) 449-3111

II. MONTANA COOPERATIVE EXTENSION SERVICE

Financed jointly by county, state, and federal governments, this educational service provides Montana with current and reliable information pertaining to four major program areas: agriculture, home economics, 4-H in Youth, and community development. The community development program includes economic development activities which emphasize particularly small communities and the processing of agricultural products. The Service also offers workshops and other services through its 53 county extension offices in Montana.

Contact: Dave Sharpe
Community Development Specialist
Cooperative Extension Service
Montana State University
Bozeman, Montana 59715
(406) 994-5608

III. WATER DEVELOPMENT LOAN AND GRANT PROGRAMS

The Department of Natural Resources and Conservation administers a water development loan and grant program for local governments, state agencies, and private entities. The program is funded by the coal severance tax, which provides about \$1.5 million biennially, and two bonding authorities totalling \$255 million. The program makes loans and grants available for such diverse water development projects as dam and reservoir construction, streambank stabilization and erosion control, and development of water conservation measures.

Contact: Caralee Cheney, Bureau Chief
Water Resources Division
Department of Natural Resources and Conservation
28 South Rodney
Helena, Montana 59620
(406) 449-3760

IV. RENEWABLE ENERGY PROGRAM

The Renewable Energy Program, funded with Montana's coal severance tax revenue and administered by the Department of Natural Resources and Conservation (DNRC), was established to promote the research and development of solar, wind, geothermal, small-scale hydro, and biomass energy resources. This program offers grants to cover the early stages of project development -- i.e., from research to demonstration -- as well as loans for the commercialization of those projects with payback or income-generating potential. The Renewable Energy Program also allows DNRC to contract with individuals and organizations to undertake specific energy-related projects when the need arises.

Contact: Greg Mills, Supervisor
Grant and Loan Section
Energy Division
Department of Natural Resources and Conversation
25 South Ewing
Helena, Montana 59620
(406) 449-3940

V. VOCATIONAL TECHNICAL EDUCATION

Public secondary and postsecondary vocational technical education programs are available throughout Montana for individuals of all ages who desire occupational skill development. These programs provide training and re-training to students who want to enter the job market with relevant basic skills, employees who want to maintain and upgrade their present skills, or people who want to learn different skills necessary for a desired career change. Programs in the areas of communication, business, marketing, agriculture, health, electronics, mechanics, and food service are available for students on either a full-time or part-time basis. These programs are kept up-to-date by the close working relationship of instructors and administrators with business and industry representatives.

Contact: Kathryn Penrod, Executive Director
Montana Advisory Council for Vocational Education
Executive Management Building
1228 11th Avenue
Helena, Montana 59620
(406) 449-2964

VI. LABOR TRAINING PROGRAM

On October 1, 1983, CETA will be replaced with the new Job Training Partnership Act (JTPA), in a move designed to transfer program administration

responsibilities from the federal government to the states. Under the JTPA, public and private sector representatives will cooperate to develop and implement job training programs to meet Montana's special needs. The new law provides a framework whereby state and local programs can assist economically disadvantaged persons -- including youth, unskilled adults, and dislocated workers -- to become productive members of the labor force.

Contact: Mark Bowlds, Unit Supervisor
Job Service Division
Department of Labor and Industry
Employment Security Building
Helena, Montana 59620
(406) 449-4500

In addition, the 1983 Legislature funded the Industrial Start-Up Training Program (ISUTP), a broad-based job training effort for employees of new or expanding small businesses in Montana. The ISUTP, administered by Montana's Department of Labor and Industry, is designed to minimize new employers' problems in obtaining a trained work force. Specifically, the department works with the employer to determine the required number and skill levels of the firm's employees. The department then conducts labor availability surveys and recruits prospective employees by handling all the advertising, screening, testing, interviewing, and training. The employer subsequently makes the final employee selection.

Contact: Peg Hartman, Unit Supervisor
Job Service Division
Department of Labor and Industry
Employment Security Building
Capitol Station
Helena, Montana 59620
(406) 449-4500

VII. MINORITY BUSINESS DEVELOPMENT

Montana's Department of Highways maintains a Minority Business Enterprise Office, which is responsible for identifying minority contractors and assisting them in successfully bidding and completing highway construction contracts. This Office also serves as an advocate for minority businesses with other State agencies.

Contact: Peg M. Dolan, Program Manager
Minority Business Enterprise
Department of Highways
Capitol Station
Helena, Montana 59620
(406) 449-4723

In addition, the Department of Commerce is cooperating with the Governor's Director of Indian Affairs to establish a Minority Business Center. The Center is expected to begin operations by October, 1983.

Contact: Larry T. Douglas
Business Assistance Division
Department of Commerce
1424 Ninth Avenue
Helena, Montana 59620
(406) 449-3923

VIII. SMALL BUSINESS PROCUREMENT SET ASIDES

The Montana Small Business Purchasing Act of 1974 was enacted to ensure that a fair portion of State purchases and contracts for supplies and services is placed with small businesses. The Act, Section 18-5-301 through 18-5-308 of the Montana Code Annotated, allows each State agency to designate specific commodities, equipment, or services as small business "set asides" when there is a reasonable expectation that bids will be obtained from at least three small businesses capable of furnishing the desired property or service at a fair and reasonable price. Services rendered by registered professionals -- i.e., accountants, attorneys, architects, etc. -- are prohibited from being designated as set asides.

Contact: Laurie Ekanger, Administrator
Purchasing Division
Department of Administration
Sam Mitchell Building
Helena, Montana 59620
(406) 449-2575

IX. TAX INCENTIVES

Recognizing the importance of business and industry to the health of her economy, Montana has implemented a number of industrial tax incentives. These incentives include primarily (1) property tax exemptions and reductions, and (2) individual income and corporate license tax credits and exemptions.

Among the property tax incentives are property assessment reductions for new or expanding manufacturing industries and for certain remodeling projects; property tax rate reductions for qualified "new industries" and for air and water pollution control equipment; and certain property tax exemptions for business inventories and "freeport merchandise" -- merchandise produced outside Montana which, while in transit through Montana, is temporarily consigned to a Montana storage facility.

Individual income and corporate license tax incentives include credits for new or expanding corporations and for certain investments and exemptions for domestic international sales corporations (DISCs) and for investment in a Small Business Investment Company.

Other incentives worth noting include:

- the Montana Agricultural Loan Authority ... created by the 1983 Legislature to assist farmers and ranchers obtain lower interest rate, long term financing;
- Local Funding for Economic Development ... a means by which a local governing body may, with voter approval, authorize funds to be used for certain economic development activities; and
- additional tax incentives for alcohol distributors producing distilled alcohol for use in gasohol production.

Contact: Teresa Olcott Cohea, Bureau Chief
Research and Information Division
Department of Revenue
Sam Mitchell Building, Room 418
Helena, Montana 59620
(406) 449-2981

